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C O N F I D E N T I A L SECTION 01 OF 04 ABU DHABI 000949

SIPDIS

STATE FOR R - U/S HUGHES, ECA, NEA/FO - DAS CARPENTER, S/P, NEA/PI  
AND NEA/ARP  
OVP FOR ROBERT KAREM  
NSC FOR MICHAEL SINGH, NIK RAMCHAND

SIPDIS

E.O.12958: DECL: 6/7/2017  
TAGS: [ECON](#) [SOCI](#) [SCUL](#) [AE](#)  
SUBJECT: THE NEW MOHAMMAD BIN RASHID FOUNDATION: A \$10 BILLION  
OPPORTUNITY TO FOSTER POSITIVE CHANGE

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CLASSIFIED BY: Ambassador Michele J. Sison, reason 1.4 (d).

¶1. (C) SUMMARY AND COMMENT: This is a joint Embassy-ConGen Dubai message. Sheikh Mohammad bin Rashid Al-Maktoum (MbR), UAE Vice President, Prime Minister, and Ruler of Dubai, on May 19 announced the establishment of the USD 10 billion Mohammed Bin Rashid Foundation (MbRF) to improve education, create jobs, and enhance culture in the Arab and Muslim world. The funding for the MbRF will come from Dubai Holdings, the Dubai parastatal headed by MbR aide and UAE Minister for Cabinet Affairs Mohammed Gergawi. According to Gergawi, who will initially head the MbRF, the Foundation will avoid "politics", i.e. direct collaboration with foreign governments, including the USG. However, Gergawi - educated in and very positive toward the U.S. - was clear that the MbRF seeks to spread "liberal thinking", and would very much welcome cooperation with the USG in identifying ideas, institutions and programs for the MbRF. The Mission's strong view is that the MbRF's objectives are largely synchronous with many USG goals for the region. While the MbRF is only at the concept stage, the USG should take advantage of these early days to work with the foundation to help speed and shape its programs. In para (16), we offer Country Team ideas for programs that might be attractive to the MbRF. The Mission suggests that Washington agencies draw from this list, and their own expertise, to prepare a "menu" of programs and ideas for presentation to the MbRF for its consideration. End Summary.

¶2. (U) This is an action request, see paragraph 14.

Mohammad bin Rashid Foundation: Gergawi's Baby  
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¶3. (U) MbR announced the creation of the MbRF while addressing the World Economic Forum on the Middle East May 19 in Jordan. According to MbR's address, the Foundation's priorities include launching a research fund, creating research centers at regional universities, and delivering leadership development programs.

¶4. (C) In a May 29 meeting with Senator Lieberman, the Ambassador and Consul General (septel), Mohammad Gergawi spoke about the MbRF, noting he would be its very hands-on chairman until it was well-established. Gergawi, Executive Chairman of the perhaps the largest of Dubai's parastatals, Dubai Holdings, noted the \$10 billion MbRF endowment would come from Dubai Holdings funds. The money would be invested "like Harvard's endowment" with the aim of both providing liquidity to fund programs yet also grow and be self-sustaining. He hopes the MbRF can grow to \$15 billion within five years, although Gergawi admitted this assumes a very healthy rate of return on the MbRF's investments.

¶5. (C) Comment: From this conversation, and additional discussion with the Consul General, it is clear that the MbRF is a Gergawi brainchild; he noted the Foundation is "close to my heart" and that he will be putting significant time and effort into it until it is well-established. Gergawi, educated at university in Michigan, is openly pro-American regarding culture and education. End Comment.

#### Taking the Concept Toward Reality

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¶6. (C) While the general goals of the MbRF were announced by MbR, the actual organization and operational plan for the MbRF are still in an early stage of development. The Abu Dhabi Crown Prince's Office has also been involved in discussions. Gergawi and a number of his staff from MbR's "Executive Office", which Gergawi also heads, will take the concept forward - likely in collaboration with a western consulting firm. Gergawi noted that he anticipated the Foundation would spend approximately 8 to 12 percent of its endowment each year, and that the MbRF would be seeking international partnerships as part of its program. He noted the first was likely to be an agreement with Harvard to fund study by regional graduate students; negotiations with Harvard are ongoing. The new Dubai School of Government (DSG), which already has a loose affiliation with Harvard's Kennedy School of Government, would be part of the agreement.

¶7. (C) Comment: The creation of the MbRF was advertised throughout the Middle East and in a number of Western Capitals (including Washington) through a series of full-page newspaper ads. (Note: Gergawi was bemused that the only two regional states to refuse to run the ads were Libya and Iran.) While Gergawi clearly wants public awareness to be widespread and to attract and select candidates for training and other programs without interference by foreign governments, the ads clearly had another purpose: MbR's desire to send a clear message about Dubai to the world, i.e. we are on the 'right' (modern and liberal) side of the current intellectual struggle for the soul of the region. End Comment.

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#### Key Goals: Educating and Opening Young Minds ...

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¶8. (SBU) Gergawi has said the focus of the MbRF will be supporting projects that increase educational opportunities and job creation in Arab and Muslim countries. He said that the Foundation, in particular, should help expose young people to and encourage "open and liberal" ideas and systems. Gergawi wants "to raise the level of thinking" of youth in the Arab and Muslim world. "Unfortunate students with potential" will be targeted to for training at universities in the west, and the MbRF would dramatically increase scholarships for study in the U.S. and elsewhere in the West.

¶9. (C) In a separate meeting with Senator Lieberman (septel), MbR echoed what Gergawi had earlier told the Senator: the Foundation should be free of governmental interference. Gergawi clarified that he hoped to keep the MbRF projects and initiatives "totally nonpolitical," i.e. not associated with any foreign government.

¶10. (C) Gergawi was quick to add that the MbRF would very much welcome cooperation with the USG to identify U.S. universities and institutions to further its goals. He welcomed the idea of the USG offering ideas and facilitating linkages to private and non-governmental institutions and programs.

. . .And Creating Jobs. . .

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¶11. (SBU) Gergawi envisions the MbRF funding the creation of "business incubators" in the region. These (undefined) "incubators", he stated, are an effective way to create some of the "18 million" jobs that will be needed in the region to absorb a large and youthful population into the workforce.

. . .and Cultural Enrichment

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¶12. (SBU) Gergawi noted another objective of the MbRF will be to elevate culture in the region. Specifically, the MbRF will provide funding to double the number of books translated into Arabic every year, as this "will open minds." In addition, the fund will offer support to writers with the aim of doubling the number of books published in Arabic.

Working with the USG, Indirectly  
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¶13. (C) As noted, Gergawi is very interested in seeing the MbRF work with the USG to identify and encourage U.S. educational institutions, NGOs and other non-governmental partners. Despite the clear message that there will be no direct cooperation with the USG (or other governments), the U.S. Mission strongly believes that coordination with the MbRF is a win for the USG, particularly if we begin this process in the early days of the Foundation. We believe the USG can help steer the Foundation toward programs and implementers that would serve our common goals for the region. Such cooperation would be a win for the Foundation as well, as many programs could be implemented relatively and provide positive results.

¶14. (C) The USG has a unique opportunity right now to take advantage of programs that support U.S. regional goals and those of the Foundation. Many of these programs have already proven their worth, and many are turn-key projects that promote education, regional job skills and employment opportunities. As many of the recommended programs are well-established, Foundation funding for them would allow them to start work in very short order. The Mission has developed a list of such programs and ideas for Washington consideration in para (16).

ACTION REQUEST  
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¶15. (C) The Mission requests that a Washington-coordinated "menu" of recommended programs and associated implementers be developed for informal presentation to the MbRF in the near future, bearing in mind that the Foundation will not work with foreign governments directly. Using the Mission's list as a starting point, we suggest that the "menu" include input from various offices within the Department of State as well as other U.S. Government agencies/players who have successful experience with education/economic development projects in the region.

¶16. (C) Specific programs U.S. Mission UAE (AMB, CG DUBAI, PAO, MEPI, POL, ECON) believes fit well with both U.S. and the Foundation's goals include:

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#### ¶A. Education Recommendations:

- We should encourage the Foundation to fund significant numbers of undergraduate and graduate scholarships for studies in the U.S., possibly through experienced NGOs such as the Council for International Exchange of Scholars (CIES) and the Institute for International Education (IIE).
- We should encourage the Foundation to fund the construction of an overseas campus of an established American university in the UAE. (Note: The Dubai Government was prepared to fund all capital costs for the University of Connecticut's campus, a project now stalled.)
- We should encourage the Foundation to fund a significant book translation program, to include important current books, as well as important Western literature and non-fiction.
- We should encourage the Foundation to fund a program similar to ECA Micro-scholarship Program, which hires native speakers to teach English in an interactive setting and encourages participation and critical thinking to high school students.
- We should encourage the Foundation to provide Scholastic's "My Arabic Library" program for public elementary schools in the

countries with significant Arabic-speaking populations. This could also be extended to include production of these books in other languages that are spoken in the Muslim world, such as Urdu, Bengali and Pashtu.

- We should encourage the Foundation to consider funding high school students to spend the year after twelfth grade abroad for a "13th year" high school exchange program. Students from America and other countries should likewise be encouraged/funded to study in the U.A.E. and elsewhere in the region.

- We should encourage the Foundation to fund the construction of charter/magnet schools in regions or countries as needed, particularly to bring non-rote, non religious-based education to students in disadvantaged areas.

- We should encourage the Foundation to provide computers, internet access and I.T. training to regions or countries lacking this technology.

- We should encourage the Foundation to support innovative television, print, and other electronic media to promote positive messages, similar to the Oprah show (remarkably popular in the UAE). Of particular interest would be media appealing to youth audiences. Examples might include internet blogging projects where youth focus on topics such as education, entrepreneurship, investing, etc.

- We should encourage the Foundation to invite and fund an education trade mission from the U.S. consisting of implementers, U.S. universities, NGOs, etc. to present their ideas and products to the Foundation. The USG would help facilitate assembly of the group and its meetings, while the Foundation would pay the cost of the trip.

#### B. Employment-Generating/Entrepreneurship/Business recommendations:

- We should encourage the Foundation to contribute heavily to the Junior Achievement program, also known as "INJAZ Arabia", which has recently been introduced to the Gulf, and which teaches high school and university students real-world business skills. MEPI funded the expansion of "INJAZ Arabia" (based in Jordan) to the Gulf Region, providing a base from which it can take-off with added funding and support.

- We should encourage the Foundation to partner with AIESEC, an international business organization designed to enable students from countries around the world to go abroad and complete internships anywhere from 3 months to one year, to send students to other countries for practical business internships. MEPI has provided funding to assist this program to expand to the region; progress made to date may allow for increased opportunities with increased funding.

- We should encourage the Foundation to work on a Grameen Bank-type model of micro-credits to support individuals for commercial and employment generating ventures throughout the region and beyond, in an effort to promote self-reliance and entrepreneurship to disadvantaged and/or underserved constituencies in all countries in the region.

- We should encourage the Foundation to facilitate internships with U.S. corporations, possibly as a part of a study program.

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- We should encourage the Foundation to facilitate enhanced professional development by sending individuals to the U.S. for professional or executive training, along the lines of what the Dubai School of Government has begun to do for regional civil servants.

#### C. Public Service Corps

- We should encourage the Foundation to fund the establishment of a paid service corps to promote public service throughout the Muslim world; this could include recent graduates teaching at schools or business people teaching entrepreneurship skills or journalists training lower-skilled journalists.

¶17. (U) We look forward to Washington feedback to these initial thoughts.

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